# ARIZONA CORPORATION COMMISSION UTILITIES DIVISION

MAR 15 2004

ANNUAL REPORT MA	AILING LABEL	- MAKE CHA	NGES AS I	NECESSARY
ANNUAL INDIVITION		IVALED CEELS	•	

W-01917A Dragoon Water Company 7459 E. Almeria Rd. Scottsdale AZ 852570000

# **ANNUAL REPORT**

## FOR YEAR ENDING

12 31 2003

FOR COMMISSION USE

Ann04 03

# **COMPANY INFORMATION**

mpany Name (Business Name)	DRAGOON WATER CO., INC.		-
ailing Address 7459 E. ALMERI	A		
(Silect)		(7:)	
SCOTTSDALE, AZ 85257 (City)	(State)	(Zip)	
(City)	044 5100	(480)	945-4800
(480) 945-4800 (Include Area Code)	(480) 941-5190	Pager/Cell No. (Inch	ide Area Code)
elephone No. (Include Area Code)	Fax No. (Include Area Code)		
mail Address			
	The state of the s		
ocal Office Mailing AddressS	SAME AS ABOVE		
<u> </u>	(Street)		
(City)	(State)	(Zip)	
(City)			
	Fax No. (Include Area Code)	Pager/Cell No.	(Include Area Code)
ocal Office Telephone No. (Include Area Code)	rax ito. (morate -		
Email Address	IAGEMENT INFORMATION	<u>ON</u>	
MAN	NAGEMENT INFORMATION	PRESIDEN	
MAN	NAGEMENT INFORMATION SULLIVAN		
MAN  Management Contact: JAMES	P. SULLIVAN (Name)	PRESIDEN	e) 
MAN  Management Contact: JAMES 1  7459 E. ALMERIA SCOTTSDALE AZ 852	P. SULLIVAN (Name)	PRESIDEN	
MAN	P. SULLIVAN (Name) (City)	PRESIDEN (Title	e) 
MAN  Management Contact: JAMES I  7459 E. ALMERIA SCOTTSDALE AZ 852: (Street)  (480) 945-4800	P. SULLIVAN (Name)  (City)  (480) 945-4800	PRESIDEN (Title (State)	(Zip)
MAN  Management Contact: JAMES I  7459 E. ALMERIA SCOTTSDALE AZ 852: (Street)	P. SULLIVAN (Name) (City)	PRESIDEN (Title	(Zip)
MAN  Management Contact: JAMES I  7459 E. ALMERIA SCOTTSDALE AZ 852: (Street)  (480) 945-4800  Telephone No. (Include Area Code)	P. SULLIVAN (Name)  (City)  (480) 945-4800  Fax No. (Include Area Code)	PRESIDEN (Title (State)	(Zip)
MAN  Management Contact:JAMES I  7459 E. ALMERIA SCOTTSDALE AZ 852: (Street)  (480) 945-4800  Telephone No. (Include Area Code)  Email Address	P. SULLIVAN (Name)  (City)  (480) 945-4800  Fax No. (Include Area Code)	PRESIDEN (Title (State)  Pager/Cell No. (Inc.)	(Zip)
MAN  Management Contact:JAMES I  7459 E. ALMERIA SCOTTSDALE AZ 852: (Street)  (480) 945-4800  Telephone No. (Include Area Code)  Email Address	P. SULLIVAN (Name)  TO (City)  (480) 945-4800  Fax No. (Include Area Code)  HWESTERN UTILITY MANAG	PRESIDEN (Title (State)  Pager/Cell No. (Inc.)	(Zip)
MAN  Management Contact: JAMES I  7459 E. ALMERIA SCOTTSDALE AZ 852: (Street)  (480) 945-4800  Telephone No. (Include Area Code)	P. SULLIVAN (Name)  (City)  (480) 945-4800  Fax No. (Include Area Code)	PRESIDEN (Title (State)  Pager/Cell No. (Inc.	(Zip)
MAN  Management Contact:JAMES I  7459 E. ALMERIA SCOTTSDALE AZ 8528 (Street)  (480) 945-4800  Telephone No. (Include Area Code)  Email Address On Site Manager: SOUT	P. SULLIVAN (Name)  (City)  (480) 945-4800  Fax No. (Include Area Code)  HWESTERN UTILITY MANAG (Name)  TUCSON	PRESIDEN (Title (State)  Pager/Cell No. (Inc.  EMENT, INC.	(Zip)
MAN  Management Contact:JAMES I  7459 E. ALMERIA SCOTTSDALE AZ 852: (Street)  (480) 945-4800  Telephone No. (Include Area Code)  Email Address	P. SULLIVAN (Name)  To (City)  (480) 945-4800  Fax No. (Include Area Code)  HWESTERN UTILITY MANAG (Name)	PRESIDEN (Title (State)  Pager/Cell No. (Inc.	(Zip)  clude Area Code)  85705
MAN  Management Contact:JAMES I  7459 E. ALMERIA SCOTTSDALE AZ 852: (Street)  (480) 945-4800  Telephone No. (Include Area Code)  Email Address On Site Manager: SOUT	P. SULLIVAN (Name)  Tax No. (Include Area Code)  HWESTERN UTILITY MANAG (Name)  TUCSON (City) (520) 792-0377	PRESIDEN (Title (State)  Pager/Cell No. (Inc.  EMENT, INC.  AZ (State)	(Zip)  clude Area Code)  85705 (Zip)
MAN  Management Contact:JAMES I  7459 E. ALMERIA SCOTTSDALE AZ 852: (Street)  (480) 945-4800  Telephone No. (Include Area Code)  Email Address On Site Manager: SOUT	P. SULLIVAN (Name)  (City)  (480) 945-4800  Fax No. (Include Area Code)  HWESTERN UTILITY MANAG (Name)  TUCSON (City)	PRESIDEN (Title (State)  Pager/Cell No. (Inc.  EMENT, INC.	(Zip)  clude Area Code)  85705 (Zip)
MAN  Management Contact: JAMES I  7459 E. ALMERIA SCOTTSDALE AZ 8524 (Street)  (480) 945-4800  Telephone No. (Include Area Code)  Email Address On Site Manager: SOUT:  1121 WEST GRANT, #413 (Street)	P. SULLIVAN (Name)  (City)  (480) 945-4800  Fax No. (Include Area Code)  HWESTERN UTILITY MANAG (Name)  TUCSON (City)  (520) 792-0377  Fax No. (Include Area Code)	PRESIDEN (Title (State)  Pager/Cell No. (Inc.  EMENT, INC.  AZ (State)	(Zip)  clude Area Code)  85705 (Zip)

Statutory Agent: RICHARD L. S	SALLQUIST			
	(Name)			
2525 E. ARIZONA BILTMORE CIRCLE # 117 (Street)	PHOENIX AZ 85016 (City)	(State)	(Zip)	
(602) 224-9222		D (C N) (I	1 1 A C-10	
Telephone No. (Include Area Code)	Fax No. (Include Area Code	Pager/Cell No. (I	nclude Area Code)	
Attorney: SAME AS ABOVE				
	(Name)			
(Street)	(City)	(State)	(Zip)	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (In	clude Area Code)	
OWNERSHIP INFORMATION				
Check the following box that applies to y	our company:			
Sole Proprietor (S)	C Corporation (C) (Other than Association/Co-op)			
Partnership (P)	Subchapter S Cou	rporation (Z)		
Bankruptcy (B)	Association/Co or	o (A)		
Receivership (R)	Limited Liability	Company		
Other (Describe)	<u> </u>			
	COUNTIES SERVED			
Check the box below for the county/ies in	n which you are certificated to pro	ovide service:		
<b>П</b> АРАСНЕ	<b>⊠</b> COCHISE	□ coco	NINO	
☐ GILA	☐ GRAHAM	☐ GREE	NLEE	
☐ LA PAZ	☐ MARICOPA	□ МОНА	AVE	
□ NAVAJO	☐ PIMA	☐ PINAI		
☐ SANTA CRUZ	☐ YAVAPAI	☐ YUMA		
<b>☐ STATEWIDE</b>				

#### **UTILITY PLANT IN SERVICE**

Acct.		Original	Accumulated	O.C.L.D.
No.	DESCRIPTION	Cost (OC)	Depreciation (AD)	(OC less AD)
301	Organization	6,983		6,983
302	Franchises			
303	Land and Land Rights	2,750		2,750
304	Structures and Improvements	29,114	13,608	15,506
307	Wells and Springs	34,282	13,346	20,936
311	Pumping Equipment	147,877	108,208	39,669
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	94,581	41,003	53,578
331	Transmission and Distribution Mains	149,630	61,380	88,250
333	Services	13,752	4,580	9,172
334	Meters and Meter Installations	23,866	9,741	14,125
335	Hydrants	633	38	595
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	4,045	2,297	1,748
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	,		
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	15,575	6,891	8,684
	TOTALS	523,088	261,092	261,996

This amount goes on the Balance Sheet Acct. No. 108

## CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct.		Original	Depreciation	Depreciation
No.	DESCRIPTION	Cost (1)	Percentage (2)	Expense (1x2)
301	Organization	6,983		
302	Franchises	0,000		
303	Land and Land Rights	2,750		
304	Structures and Improvements	29,114	3.33%	969
307	Wells and Springs	34,282	3.33%	
311	Pumping Equipment	147,877	12.50%	
320	Water Treatment Equipment	,	12.007,0	. 0, 100
330	Distribution Reservoirs and Standpipes	94,581	2.22%	2,100
331	Transmission and Distribution Mains	149,630	2.00%	2,993
333	Services	13,752	3.33%	458
334	Meters and Meter Installations	23,866	8.33%	1,988
335	Hydrants	633	3.33%	21
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	4,045	6.67%	270
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	15,575	2.50%	389
	SUBTOTAL	523,088		28,815
	Less: Amortization of Contributions			7,010
	TOTAL	523,088		21,805

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.



To the Board of Directors of Dragoon Water Co., Inc. Scottsdale, Arizona

We have compiled the balance sheet of Dragoon Water Co., Inc. (a corporation) as of December 31, 2003 and 2002, and the comparative statement of income and expenses for the years then ended included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting in the form prescribed by the Arizona Corporation Commission information that is the representation of management. We have not audited or reviewed the financial statements referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements are presented in accordance with the requirements of the Arizona Corporation Commission, which differ from generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.

All other information contained in the accompanying prescribed form has not been audited, reviewed, or compiled by us and, accordingly, we assume no responsibility for that information.

ULLMANN & COMPANY, P.C.
Certified Public Accountants

William & Company

February 25, 2004

#### COMPANY NAME DRAGOON WATER CO., INC.

#### **BALANCE SHEET**

Acct. No.		BEGI	ANCE AT NNING OF	E	ANCE AT
······································	ASSETS		YEAR		YEAR
	CURRENT AND ACCRUED ASSETS				
131	Cash	\$	3,263	\$	22,473
134	Working Funds				
135	Temporary Cash Investments				
141	Customer Accounts Receivable		7,441		9,574
146	Notes/Receivables from Associated Companies				
151	Plant Material and Supplies				
162	Prepayments		1,380		0
174	Miscellaneous Current and Accrued Assets		8,134	<u> </u>	2,526
	TOTAL CURRENT AND ACCRUED ASSETS				
		\$	20,218	\$	34,573
	FIXED ASSETS				
101	Utility Plant in Service	\$	506,006	\$	523,088
103	Property Held for Future Use				
105	Construction Work in Progress				
108	Accumulated Depreciation - Utility Plant		232,277		261,092
121	Non-Utility Property				
122	Accumulated Depreciation - Non Utility				
	TOTAL FIXED ASSETS	\$	273,729	\$	261,996
	TOTAL ASSETS	\$	293,947	\$	296,569

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page

# **BALANCE SHEET (CONTINUED)**

Acct.		1	ANCE AT GINNING	F	ANCE AT END OF
	LIABILITIES	0	F YEAR		YEAR
	CUDINENT LIABILITES				
221	CURRENT LIABILITES	\$	5,365	\$	3,639
$\frac{231}{222}$	Accounts Payable  Notes Payable (Current Portion)	- <del>Ψ</del>	18,353	Ψ	11,980
$\frac{232}{234}$	Notes/Accounts Payable to Associated Companies		10,555		
234	Customer Deposits		1,706		1,786
$\frac{233}{236}$	Accrued Taxes		2,438		2,470
237	Accrued Interest				
241	Miscellaneous Current and Accrued Liabilities		56		56
241	TOTAL CURRENT LIABILITIES	\$	27,918	\$	19,931
	TOTAL COMMITTED TOTAL				
	LONG-TERM DEBT (Over 12 Months)			i	
224	Long-Term Notes and Bonds	\$	141,360	\$	167,721
	DEFERRED CREDITS				
251	Unamortized Premium on Debt			***	
252	Advances in Aid of Construction		7,100		6,840
255	Accumulated Deferred Investment Tax Credits		-		
271	Contributions in Aid of Construction		124,735		124,735
272	Less: Amortization of Contributions		29,277		36,287
281	Accumulated Deferred Income Tax		5,774		
	TOTAL DEFERRED CREDITS	\$	108,332	\$	95,288
			277 (10	ď	282,940
	TOTAL LIABILITIES	\$	277,610	\$	282,940
	CAPITAL ACCOUNTS				
201	Common Stock Issued	\$	13,000	\$	13,000
211	Paid in Capital in Excess of Par Value		168,642		168,642
215	Retained Earnings	-	(165,305)		(168,013)
218	Proprietary Capital (Sole Props and Partnerships)				
	TOTAL CAPITAL	\$	16,337	\$	13,629
	TOTAL LIABILITIES AND CAPITAL	\$	293,947	\$	296,569

# COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.			PERATING REVENUES PRIOR YEAR		ENT YEAR
461	Metered Water Revenue	\$	81,470	\$	96,803
460	Unmetered Water Revenue				
474	Other Water Revenues		825		800
	TOTAL REVENUES	\$	82,295	\$	97,603
	OPERATING EXPENSES				
601	Salaries and Wages				
610	Purchased Water				
615	Purchased Power		10,230		10,028
618	Chemicals		1 to		
620	Repairs and Maintenance	. , .	900		9,283
621	Office Supplies and Expense		1,393		784
630	Outside Services		29,948		37,863
635	Water Testing		1,278		877
641	Rents		1,127		619
650	Transportation Expenses				
657	Insurance - General Liability		492		1,378
659	Insurance - Health and Life				
666	Regulatory Commission Expense - Rate Case				
675	Miscellaneous Expense		10,844		10,174
403	Depreciation Expense		20,785		21,805
408	Taxes Other Than Income			-	
408.11	Property Taxes		4,786		4,881
409	Income Tax		(1,204)		(5,729)
	TOTAL OPERATING EXPENSES	\$	80,579	\$	91,963
	OTHER INCOME/EXPENSE				
419	Interest and Dividend Income				
421	Non-Utility Income				
426	Miscellaneous Non-Utility Expenses	<del> </del>			
427	Interest Expense		9,038		8,348
	TOTAL OTHER INCOME/EXP	\$	(9,038)	\$	(8,348)
	NET INCOME/(LOSS)	\$	(7,322)	\$	(2,708)

# SUPPLEMENTAL FINANCIAL DATA Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	VARIES			
Source of Loan	WIFA			
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$186,126	\$	\$	\$
Amount Outstanding	\$179,701	\$	\$	\$
Date of Maturity	04/01/2018			
Interest Rate	4.688%			
Current Year Interest	\$7,935	\$	\$	\$
Current Year Principle	\$7,907	\$	\$	\$

Meter Deposit Balance at Test Year End	\$6,840
Meter Deposits Refunded During the Test Year	\$660

# WATER COMPANY PLANT DESCRIPTION

#### **WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-631739	7.5	35	690	12	3	
55-631738	30	200	471	12	4	

Arizona Department of Water Resources Identification Number

#### **OTHER WATER SOURCES**

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None		

BOOSTER PUMPS		FIRE HYDRANTS		
Horsepower	Quantity	Quantity Standard	Quantity Other	
5	2			
15	2			
10	2			
1.5	2			

STORAGE TANKS		PRESSURE TANKS		
Capacity	Quantity	Capacity	Quantity	
40,000	1	5,000	2	
20,000	11	2,000	1	
5,000	1	100	1	

# WATER COMPANY PLANT DESCRIPTION (CONTINUED)

#### **MAINS**

Size (in inches)	Material	Length (in feet)
2	PVC	300
3	AC	2,830
4	AC	4,030
5		
6	AC	600
8		
10		
12		
3	PVC	16,418
4	PVC	9,637
6	PVC	7,460

#### **CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X <sup>3</sup> / <sub>4</sub>	124
3/4	
1	19
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:
None
STRUCTURES:
10' X 10' Pump House
10' X 12' Pump House
1200 ft of 6' Chain Link Fence
5' X 5' Booster House
2 Storage Shops
OTHER:
OTHER:

COMPANY NAME: Dragoon Water Company

#### WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2003

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	142	509,126	781
FEBRUARY	142	592,354	921
MARCH	143	468,278	817
APRIL	143	881,758	1,314
MAY	143	1,002,137	1,523
JUNE	143	1,273,528	1,893
JULY	. 143	1,442,460	2,097
AUGUST	143	1,069,068	1,841
SEPTEMBER	143	948,409	1,366
OCTOBER	143	686,755	1,073
NOVEMBER	143	678,324	805
DECEMBER	143	573,640	664
	TOTAL	N//A	15,095

Is the Water Utility loca	ated in an ADWK Active Manageme	nt Area (Ar	VIA)?
( ) Yes	(x) No		
Does the Company hav	e An ADWR Gallons Per Capita Per	Day (GPC	PD) requirement?
( ) Yes	(X ) No		
If yes, provide the GPC	PD amount:		
What is the level of arse	enic for each well on your system.	<0.0030	_mg/l
(If more than one well, please list o	<0.0030		

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME_	DRAGOON WATER CO., INC.	YEAR ENDING 12/31/2003
	PROPERTY TAXES	
Amount of actual pro	perty taxes paid during Calendar Year 2003: \$_	4,849
Attach to this annual	report proof (e.g. property tax bills stamped "pa	aid in full" or copies of cancelled

Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

COMPANY NAME DRAGOON WATER CO., INC.

**YEAR ENDING 12/31/2003** 

#### **INCOME TAXES**

For this reporting period, provide the following:

MAR 15 2004

Federal Taxable Income Reported Estimated or Actual Federal Tax Liability (2,112)

State Taxable Income Reported
Estimated or Actual State Tax Liability

(2,067) 45

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances Amount of Gross-Up Tax Collected Total Grossed-Up Contributions/Advances N/A N/A N/A

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

#### **CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SIGNATURE

DATE/

PRINTED NAME

TITLE

#### VERIFICATION AND SWORN STATEMENT

**Intrastate Revenues Only** 

MAR 15 2004

VERIFICATION
STATE OF ARIZONA
I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
COCHISE

NAME (OWNER OR OFFICIAL) TITLE
JAMES P. SULLIVAN

COMPANY NAME
DRAGOON WATER COMPANY, INC.

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA COPRORATION COMMISSION

FOR THE YEAR ENDING

MONTH DAY YEAR
12 31 2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

#### **SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2003 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$\_\_\_\_103,950

(THE AMOUNT IN BOX ABOVE INCLUDES \$ 6,347 IN SALES TAXES BILLED, OR COLLECTED

\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

MY COMMISSION EXPIRES

PATRICIA J. BRÓWN
NOTARY PUBLIC - ARIZONA
MARICOPA COUNTY
EAMO COMM. Expires 2-1-2007

DAY OF

COUNTY NAME WOULD

TELEPHONE NUMBER

2004

SIGNATURE OF NOTARY PUBLIC

# VERIFICATION AND SWORN STATEMENT RESIDENTIAL REVENUE

MAR 15 2004

PATRICIA J. BROWN NOTARY PUBLIC - ARIZONA-MARICOPA COUNTY My Comm. Expires 2-1-2007

VERIFICATION

#### INTRASTATE REVENUES ONLY

STATE OF ARIZONA	(COUNTY NAME)	COCHISE	
I, THE UNDERSIGNED	NAME (OWNER OR OFFICIAL)	JAMES P. SULLIVAN	TITLE PRESIDENT
OF THE	COMPANY NAME DRAGOO	ON WATER COMPANY, INC.	
DO SAY THAT THIS ANNU	AL UTILITY REPORT	TO THE ARIZONA	A CORPORATION COMMISSION
	MONTH DAY	YEAR	

31

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

2003

#### **SWORN STATEMENT**

(SEAL)

MY COMMISSION EXPIRES

FOR THE YEAR ENDING

12

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2003 WAS:

ECEIVED FROM RESIDENTIAL CUSTOMERS	S DURING CALENDAR YEAR 2003 WAS:
ARIZONA INTRASTATE GROSS OPERATING REVENUES	(THE AMOUNT IN BOX AT LEFT INCLUDES \$ 5,125
\$_83,934	IN SALES TAXES BILLED, OR COLLECTED
*RESIDENTIAL REVENUE REPORTED ON THIS P. MUST INCLUDE SALES TAXES BILLED.	AGE  SIGNATURE OF OWNER OR OFFICIAL
SUBSCRIBED AND SWORN TO BEFORE	E.M.E. NOTARY PUBLIC NAME
	HATTICIA & BrOWN
A NOTARY PUBLIC IN AND FOR THE C	COUNTY OF COUNTY NAME COTOA
THIS // DAY	OF MONTH March . 2004

#### Acci # 000000008753584 Nov 1 through Nov 28, 2003

Page 4 of 4

milencom Waytin Co. and.  Milencom Waytin Co. and.  Milencom Waytin Co. and.  Milencom Waytin Co. and.  Milencom Unity Administration  To the Child Transport of the Co. and This Administration  To the Child Transport of the Co. and This Administration  Milencom Unity Administration  To the Child Transport of the Co. and This Administration  Milencom Unity Administration  To the Child Transport of the Co. and This Section Co. and This Section  Milencom Unity Administration  Milencom Unity Adm	### 1979 ###############################
### 12472-19594 19502 00 2000  R0087405284444 NOV 10 #2879 \$661.14	1380   137730   137
2811   2811	### 1999 - 1999
Broductor MATER CO. SEC.  STATE OF THE STATE	### 1994   1994

Need more information about any of these checks? Registered users of Bank One Online® see BOTH front and back of their cleared checks. Bank One Online is a free service. Visit www.BankOne.com to enroll or log in.

## DRAGOON WATER CO. INC.

7459 EAST ALMERIA ROAD SCOTTSDALE, AZ 85257 PH. (480) 945-4800 FAX (480) 941-5190 BANK ONE, NA PHOENIX, ARIZONA 85073 91-2-1221

4/22/2003

PAY TO THE ORDER OF

Cochise County Treasurer

**\*\*2,392.83** 

DOLLARS

Cochise County Treasurer PO Box 1778 Bisbee, AZ 85603

MEMO

Tax Roll 110657 2nd half 2002

#002803# #122100024#

O87535848

%E 85 P 6 5 0000%

03/11/04

# Dragoon Water Company Account QuickReport

January through December 2003

	Туре	Date	Num	Name	Memo	Split	Amount
408.11 Chec Chec Chec	:k	Y TAXES 4/22/2003 11/13/2003 11/25/2003	2803 2882 2886	Cochise County Tr Cochise County Tr Cochise County Tr		131.00 · CHE 131.00 · CHE 131.00 · CHE	2,392.83 2,424.38 32.24
Total 40	8.11 · PROP	PERTY TAXES					4,849.45
TOTAL							4,849.45